

PACHULSKI STANG ZIEHL & JONES LLP  
780 Third Avenue, 36<sup>th</sup> Floor  
New York, New York 10017  
Telephone: 212-561-7700  
Facsimile: 212-561-7777  
Richard M. Pachulski  
Laura Davis Jones  
Debra I. Grassgreen  
Joshua M. Fried  
Maria A. Bove

Attorneys for Debtors and Debtors in Possession

**UNITED STATES BANKRUPTCY COURT  
SOUTHERN DISTRICT OF NEW YORK**

In re:

MESA AIR GROUP, INC., *et al.*,

Debtors.<sup>1</sup>

Chapter 11

Case No. 10-10018 (MG)

(Jointly Administered)

**DEBTORS' FIFTH NOTICE OF  
INTENT TO REJECT LEASES RELATING TO  
CERTAIN AIRCRAFT PURSUANT TO DEBTORS' PROCEDURES SET  
FORTH IN AMENDED ORDER ENTERED ON FEBRUARY 23, 2010**

**(RE: AIRCRAFT COUNTERPARTIES LISTED ON EXHIBIT 1)**

**PLEASE TAKE NOTICE** that the debtors and debtors in possession (collectively, the “Debtors”) hereby give notice to the owner participants, owner trustees, loan participants, and indenture trustees set forth on Exhibit 1 annexed hereto (the “Aircraft Parties”) of the Debtors’ intent to reject the two (2) aircraft leases (the “Leases”) in their entirety related to two (2) de Havilland DHC 8-202 aircraft, with the airframes having the U.S. Registration Numbers as identified in Exhibit 1 (the “Excess Leased Equipment.”) )

<sup>1</sup> The Debtors are: Mesa Air Group, Inc. (2351); Mesa Air New York, Inc. (3457); Mesa In-Flight, Inc. (9110); Freedom Airlines, Inc. (9364); Mesa Airlines, Inc. (4800); MPD, Inc. (7849); Ritz Hotel Management Corp. (7688); Regional Aircraft Services, Inc. (1911); Air Midwest, Inc. (6610); Mesa Air Group Airline Inventory Management, LLC (2015); Nilchi, Inc. (5531); and Patar, Inc. (1653).

**PLEASE TAKE FURTHER NOTICE** that, on February 23, 2010, the Bankruptcy Court entered its *Order (I) Authorizing Debtors to (A) Reject Leases Relating to Certain Aircraft and Other Related Equipment, (B) Abandon Certain Aircraft, Engines, and Other Related Equipment, (C) Transfer Title to Certain Aircraft, Engines, and Other Related Equipment, and (D) Satisfy the Surrender and Return Requirements Under the Bankruptcy Code, and (II) Approving Related Notices and Procedures* (the “Order”),<sup>2</sup> a copy of which is available upon request from the Debtors’ counsel and which is also available for review on [www.epiq11.com](http://www.epiq11.com) (follow “All Active Cases” and “Mesa Air Group, Inc.” links). All capitalized terms whose meanings are not defined or otherwise ascribed herein shall have the meaning ascribed to them in the Order. This Notice is being provided to you in accordance with the Order as a Subsequent Rejection Notice.

**PLEASE TAKE FURTHER NOTICE** that unless an affected Aircraft Party timely objects to this Notice and the proposed Lease rejections, as the case may be, and related surrender and return of the Excess Leased Equipment, the rejection of the Leases, as the case may be, will be effective April 21, 2010 (the “Deemed Effective Date”), without need of any further Court order or additional notice, subject to the rights to object as set forth in the Order, and as of the Deemed Effective Date, the applicable Aircraft Party may take possession of the Excess Leased Equipment as of the date(s) and at the location(s) set forth on Exhibit 1.

**PLEASE TAKE FURTHER NOTICE** that in accordance with the terms of the *Stipulation and Agreement Pursuant to Section 1110(b) of the Bankruptcy Code Between Debtors and Export Development Canada Regarding the Extension of the Automatic Stay With Respect to Certain DHC 8-202 Aircraft of the Debtors* (the “Section 1110(b) Stipulation”) that was approved on March 5, 2010, Export Development Canada has agreed not to exercise any

---

<sup>2</sup> On February 24, 2010, the Debtors filed with the Court an amended exhibit A-2 to the Order [Docket No. 360].

remedies or assert any claims arising solely from any alleged default on the basis that any Excess Leased Equipment returned does not have the original engines installed ‘on wing’ provided that the Debtors comply with the requirements of the Section 1110(b) Stipulation. The Excess Leased Equipment will be returned to the location set forth on Exhibit 1 pursuant to the Section 1110(b) Stipulation.

**PLEASE TAKE FURTHER NOTICE** that if any affected Aircraft Party wishes to object to the rejection of the applicable Lease, such affected party must file and serve such objection in accordance with the following procedures:

(a) The Debtors’ rejection of the applicable Lease pursuant to this Notice will be effective as of the Deemed Effective Date, without the need of any further order or notice, if no objection thereto is filed with the Court and served so as to be received by 4:00 p.m. (prevailing Eastern Time) on the 7<sup>th</sup> business day after the filing and service of this Notice, on (i) the United States Bankruptcy Court of the Southern District of New York, One Bowling Green, New York, New York 10004, (ii) the Office of the United States Trustee for the Southern District of New York (the “OUST”), 33 Whitehall Street, 21<sup>st</sup> Floor, New York, New York 10004, (iii) Pachulski Stang Ziehl & Jones LLP, 150 California Street, 15<sup>th</sup> Floor, San Francisco, California 94111 (Attn: Debra I. Grassgreen and Joshua M. Fried), and Pachulski Stang Ziehl & Jones LLP, 780 Third Avenue, 36<sup>th</sup> Floor, New York, New York 10017 (Attn: Maria A. Bove), attorneys for the Debtors, (iv) Mesa Air Group, Inc., Law Department 410 N. 44<sup>th</sup> St. Suite 700, Phoenix, Arizona 85008, (Attn: Brian S. Gillman, Esq.), and (v) counsel to the Committee, Morrison & Foerster, 1290 Avenue of the Americas, New York, New York 10104 (Attn: Brett H. Miller) (“Committee Counsel”) (collectively, the “Notice Parties”).

(b) If a timely objection is filed and served, the effective date of rejection will be (i) the originally proposed Deemed Effective Date if the objection is overruled or withdrawn or (ii) such other date as determined by the Bankruptcy Court after a hearing on the objection. Further, the Court may adjust the Deemed Effective Date in accordance with the procedures set forth in paragraph 2 of the Order on account of the Enumerated Matters (as such term is defined in the Order) or any other breach of the Order.

(c) A hearing on any objection to this Notice will be held on the next scheduled omnibus hearing date in the Debtors’ cases, provided that the objecting party is provided by the Debtors at least five (5) business days’ prior written notice of such hearing date and time, and provided further that the foregoing is

without prejudice to the Debtors and/or objecting party to move for an expedited hearing (on less than five (5) business days' notice).

(d) The Debtors must file and serve on the objecting party, the OUST and the Committee Counsel any reply to any objection at least two (2) business days prior to the scheduled hearing.

**PLEASE TAKE FURTHER NOTICE** that paragraphs 2 and 9 of the Order set forth important deadlines regarding the assertion of claims and rights.

Dated: April 9, 2010  
New York, New York

PACHULSKI STANG ZIEHL & JONES LLP

*/s/ Debra Grassgreen* \_\_\_\_\_

Richard M Pachulski  
Laura Davis Jones  
Debra I. Grassgreen  
Joshua M. Fried  
Maria A. Bove

780 Third Avenue, 36<sup>th</sup> Floor  
New York, New York 10017  
Telephone: (212) 561-7700  
Facsimile: (212) 561-7777

Attorneys for Debtors and Debtors in Possession

**EXHIBIT 1**

**Listed Excess Leased Equipment to Be Rejected on Deemed Effective Date**

***INDEX***

**Counterparties and other parties in interest should locate their names in the index below and refer to the listed page(s) of the attached exhibit. Parties in interest should review the exhibit in its entirety out of an abundance of caution.**

<b><u>Applicable Counterparty and Other Parties in Interest:</u></b>	<b><u>Page of attached Exhibit 1:</u></b>
Export Development Canada.....	1, 2
PNCEF, LLC (formerly National City Leasing).....	2
U.S. Bank National Association - Corporate Trust Services .....	1, 2
Wells Fargo Bank Northwest, NA (formerly First Security Bank).....	1, 2
Wells Fargo Equipment Finance (formerly First Security Bank).....	1

Item No.	Lessors/Secured Parties and Other Related Party Addresses	Lessee/ Debtor	Airframe Mfr. & Model	Airframe Mfr. Serial No.	U.S. Reg. No.	Deemed Effective Date and Proposed Return Location
1	<p><b>Owner Trustee / Lessor:</b>  Wells Fargo Bank Northwest,  NA (formerly First Security  Bank)  79 South Main Street  Salt Lake City, UT 84111  Attn: Corporate Trust  Department  Tel: 801-246-5819  Fax: 801-246-5053</p> <p><b>Owner Participant:</b>  Wells Fargo Equipment Finance  (formerly First Security Bank)  733 Marquette Avenue, Suite  700  Minneapolis, MN 55402</p> <p>Wells Fargo Equipment Finance  (formerly First Security Bank)  Attention: Luis Lluberas-Oliver,  Rob Kenny &amp; Steve Gruendel  Moore &amp; Van Allen PLLC  100 North Tryon Street, Suite  4700  Charlotte, North Carolina  28202-4003  Tel: 704.331.3533  Fax: 704.339.5833  E-Mails:  luislluberas@mvalaw.com,  robkenny@mvalaw.com,  stevegruendel@mvalaw.com</p> <p><b>Indenture Trustee:</b>  U.S. Bank National Association  - Corporate Trust Services  One Federal Street, 3rd Floor  Boston, MA 02110  Attention: Robert C. Butzier  Tel: (617) 603-6430  Fax : (617) 603-6640</p> <p><b>Loan Participant:</b>  Export Development Canada  151 O'Connor Street  Ottawa, Ontario  Canada K1A 1K3  Attn: Loans Administration  Fax: 613-598-2514</p>	Mesa Airlines, Inc.	De Havilland DHC 8-202	444	N444YV	<p>Effective Date:  <u>April 21, 2010</u>.</p> <p>The airframe and engines listed below are immediately available for inspection at Mesa's Grand Junction, Colorado maintenance facility in accordance with the Section 1110(b) Stipulation with the following engines installed or to be shipped:</p> <p>SN TM123356 (installed)  SN TMAG0001 (installed)</p>

Item No.	Lessors/Secured Parties and Other Related Party Addresses	Lessee/ Debtor	Airframe Mfr. & Model	Airframe Mfr. Serial No.	U.S. Reg. No.	Deemed Effective Date and Proposed Return Location
2	<p><b>Owner Trustee / Lessor:</b>  Wells Fargo Bank Northwest,  NA (formerly First Security  Bank)  79 South Main Street  Salt Lake City, UT 84111  Attn: Corporate Trust  Department  Tel: 801-246-5819  Fax: 801-246-5053</p> <p><b>Owner Participant:</b>  PNCEF, LLC (formerly National  City Leasing)  3 East Fourth Street  Cincinnati, OH 45202</p> <p><b>Indenture Trustee:</b>  U.S. Bank National Association  - Corporate Trust Services  One Federal Street, 3rd Floor  Boston, MA 02110  Attention: Robert C. Butzier  Tel: (617) 603-6430  Fax : (617) 603-6640</p> <p><b>Loan Participant:</b>  Export Development Canada  151 O'Connor Street  Ottawa, Ontario  Canada K1A 1K3  Attn: Loans Administration  Fax: 613-598-2514</p>	Mesa Airlines, Inc.	De Havilland DHC 8-202	454	N454YV	<p>Effective Date:  <u>April 21, 2010</u>.</p> <p>The airframe and the installed engine listed below as installed are immediately available for inspection at Mesa's Grand Junction, Colorado maintenance facility in accordance with the Section 1110(b) Stipulation.</p> <p>The engine listed below as being uninstalled is immediately available for inspection at Mesa's Grand Junction, Colorado maintenance facility in accordance with the Section 1110(b) Stipulation.</p> <p>SN TMG0014 (installed)  SN PCE123346 (uninstalled)</p>